

# **FISCAL NOTE**

## **HB 1978**

May 11, 1999

**SUMMARY OF BILL:** Increases the tax levied on the sale or distribution by sale or gift on each gallon of spirits from \$4.00 to \$4.50.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - Net Impact - \$1,163,100**

**Increase Local Govt. Revenues - Net Impact - \$228,900**

Estimate assumes:

- An increase in the tax on spirits from \$4.00 to \$4.50 per gallon.
- A 5% decrease in the sale of spirits in Tennessee resulting from passage of the bill.
- A decrease in state and local government revenues based on decreased sales tax revenues resulting from fewer in-state sales of spirits.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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